



Housing and Revitalization  
Department

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June 17, 2024

Detroit City Council  
1340 Coleman A. Young Municipal Center  
Detroit, MI 48226

**RE: Annual HOME, HOME-ARP, CDBG, ARPA, AHD&PF and NSP Awards  
New and Revised Awards**

Honorable City Council:

The City of Detroit ("City"), through the Housing and Revitalization Department ("HRD"), makes annual funding available for "ready-to-proceed projects" from HOME, HOME-ARP, CDBG, NSP, AHD&PF, and ARPA funds allocated to the City through the U.S. Department of Housing and Urban Development ("HUD"), other sources, and U.S. Department of Treasury and the City has received NSP funds from the Michigan State Housing Development Authority for the Lee Plaza project. HRD has continued to work closely with HUD to meet required commitment and disbursement deadlines for new and ongoing projects approved by the City.

In support of affordable housing opportunities, HRD is hereby requesting approval to award funding to the following new projects:

1. Piety Hill II (\$1,300,000 HOME; \$2,170,000 CDBG, \$350,000 AHD&PF) - \$1,300,000 in HOME, \$2,170,000 in CDBG, and \$350,000 in AHD&PF will be spent on this rehabilitation and new construction project to rehabilitate 11 housing units and construct 32 new housing units at 8840 Second Ave and multiple separate parcels that will be 100% affordable.
2. GenesisHOPE Preston Townhomes (\$2,500,000 HOME) – \$2,500,000 in HOME will be spent on this new construction project to construct 31 townhomes at 7200 Mack Avenue that will be 100% affordable.
3. Higginbotham (\$8,400,000 ARPA) - \$8,400,000 in ARPA will be spent on this adaptive re-use of the historic Higginbotham school building and new construction project to construct 100 new housing units at 20119 Wisconsin St that will be 100% affordable.
4. Minock Park Place (\$1,938,551.53 HOME, \$3,061,448.47 ARPA) - \$1,938,551.53 in HOME and \$3,061,448.47 in ARPA will be spent on this new construction project to construct 42 new housing units at 19505 Grand River Ave and 15844 Auburn St that will be 100% affordable.
5. Brush & Watson – Midblock (\$3,000,000 ARPA) - \$3,000,000 in ARPA will be spent on this new construction project to construct 184 new housing units at 444 Watson that will have 170 affordable units.
6. Martin Gardens (\$1,700,000 HOME, \$1,600,000 AHD&PF) - \$1,700,000 in HOME and \$1,600,000 in AHD&PF will be spent on this historic preservation and rehabilitation project to rehabilitate 46 housing units at 1185 Clark St., 3502-3528 W. Vernor Hwy., 1737 & 1739 to 1755 25<sup>th</sup> St. that will be 100% affordable.
7. North Corktown (\$2,500,000 HOME) - \$2,500,000 in HOME will be spent on this new construction project to construct 49 new housing units at 2607 14<sup>th</sup> Street that will be 100% affordable.

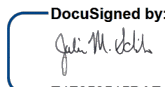
8. Sanctuary at Brewster (\$3,000,000 HOME-ARP) - \$3,000,000 in HOME-ARP will be spent on this new construction PSH project to construct 52 new PSH housing units at 2900 St. Antoine that will be 100% affordable.

Additionally, HRD is requesting approval to increase funding sources for the following previously approved projects:

1. 5800 Michigan Avenue (Add \$300,000 in ARPA) - \$300,000 in ARPA funds will be added to this project to fill a funding gap created by increased project costs.
2. Lee Plaza (Add \$1,500,000 in NSP) - \$1,500,000 in NSP 2 funds will be added to this project from grant funds received by the City from the Michigan State Housing Development Authority.
3. Grandmont Rosedale Park Collective II – (Add \$688,551.53 in ARPA, \$212,326.62 of NSP 1, \$149,121.85 of NSP 3) - \$688,551.53 in ARPA, \$212,326.62 of NSP 1 and \$149,121.85 of NSP 3 funds will be added to this project due to a change in funding sources.

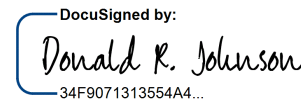
We hereby request that your Honorable Body adopt the attached resolution that: (1) approves the aforementioned new project funding awards, (2) approves the aforementioned project increased funding, and (3) authorizes the HRD Director, or her authorized designee, to execute such documents as may be necessary or convenient to complete the transactions.

Respectfully submitted,

  
Julie M. Schneider  
Director

Attachments

cc: G. Fulton, Mayor's Office  
R. Labov, Chief Development & Investment Officer

  
Donald R. Johnson  
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Office of Budget

## RESOLUTION

**BY COUNCIL MEMBER:** \_\_\_\_\_

**WHEREAS**, the City of Detroit receives an annual allocation and special allocations of HOME, HOME-ARP, CDBG, NSP, and AHD&PF funds from the U.S. Department of Housing and Urban Development ("HUD") and other local sources, American Rescue Plan Act of 2021 ("ARPA") funds from the U.S. Department of Treasury, and NSP Funds from the Michigan State Housing Development Authority through the Housing and Revitalization Department ("HRD") and other City Departments, for the purpose of creating affordable housing opportunities in Detroit neighborhoods and which are both responsive to needs created by the COVID-19 pandemic and help build a strong and equitable recovery from the COVID-19 pandemic; and

**WHEREAS**, the City Council authorized HRD's Director to accept and utilize AHD&PF funds and accept and utilize HOME, NSP and CDBG funds according to HUD regulations during the City's annual budgeting process; and

**WHEREAS**, the City Council has appropriated NSP funds received from the Michigan State Housing Development Authority in Appropriation No. 21405 to support the Lee Plaza project; and

**WHEREAS**, the City Council has appropriated ARPA fiscal recovery funds in Appropriation No. 22004 and Appropriation No. 22013 for Affordable Housing Development projects for which public or private leverage dollars may be made available, subject to separate City Council authorization for such projects; and now therefore be it

**RESOLVED**, that City Council hereby approves \$15,000,000 from the ARPA Award to be transferred to Appropriation 22002-City Services from Appropriation 22015-Digital Divide for Affordable Housing Development and Preservation Projects; and be it further

**RESOLVED**, that the City Council hereby approves the new and revised allocations for the HOME, HOME-ARP, CDBG, ARPA, AHD&PF and NSP loans for developers and/or borrowers as provided for herein and in the attached Exhibit 1: 2023-24 New and Revised HOME, HOME-ARP, CDBG, ARPA, AHD&PF & NSP Awards in the amounts indicated and with authorization to vary such allocation amounts by not more than 10% at the discretion of the HRD Director; and be it further

**RESOLVED**, that HRD will use Appropriation No. 10821 to spend \$1,300,000 in HOME funds, Appropriation No. 20541 to spend \$2,170,000 in CDBG funds, and Appropriation 26364 to spend \$350,000 in AHD&PF funds for the following new project: "Piety Hill II" – \$3,820,000; and be it further

**RESOLVED**, that HRD will use Appropriation No. 10821 to spend \$2,500,000 in HOME funds for the following new project: "GenesisHOPE Preston Townhomes" - \$2,500,000; and be it further

**RESOLVED**, that HRD will use Appropriation 22002 to spend \$8,250,000 in ARPA funds (ARPA CPA#6006384) and Appropriation 22004 to spend \$150,000 in ARPA funds (ARPA CPA#6006385) for the following new project: "Higginbotham" - \$8,400,000; and be it further

**RESOLVED**, that HRD will use Appropriation No. 10821 to spend \$1,938,551.53 in HOME funds and Appropriation No. 22002 to spend \$3,061,448.47 in ARPA funds (ARPA CPA#6006386) for the following new project: “Minock Park Place” - \$5,000,000; and be it further

**RESOLVED**, that HRD will use Appropriation No. 22002 to spend \$3,000,000 in ARPA funds (ARPA CPA#6006387) for the following new project: “Brush & Watson - Midblock” - \$3,000,000; and be it further

**RESOLVED**, that HRD will use Appropriation No. 10821 to spend \$1,700,000 in HOME funds and Appropriation No. 26364 to spend \$1,600,000 in AHD&PF funds for the following new project: “Martin Gardens” - \$3,300,000; and be it further

**RESOLVED**, that HRD will use Appropriation No. 10821 to spend \$2,500,000 in HOME funds for the following new project: “North Corktown” - \$2,500,000; and be it further

**RESOLVED**, that HRD will use Appropriation No. 20991 to spend \$3,000,000 in HOME-ARP funds for the following new project: “Sanctuary at Brewster” - \$3,000,000; and be it further

**RESOLVED**, that HRD will use Appropriation No. 22013 to add \$300,000 in ARPA funds (ARPA CPA#6006366) to the following existing project: “5800 Michigan Avenue” – add \$300,000; and be it further

**RESOLVED**, that HRD will use Appropriation No. 21405 to add \$1,500,000 in NSP 2 funds to the following existing project: “Lee Plaza” – add \$1,500,000; and be it further

**RESOLVED**, that HRD will use Appropriation No. 22002 to add \$688,551.53 in ARPA funds (ARPA CPA#6006383), Appropriation No. 14098 to add \$212,326.62 in NSP 1, and Appropriation No. 13564 to add \$149,121.85 in NSP 3 funds to the following existing project: “Grandmont Rosedale Park Collective II” - \$1,050,000; and be it further

**RESOLVED**, that the HRD Director, or her authorized designee, is authorized to process, prepare and execute any and all loan and grant documents necessary or convenient to close, secure and use HOME, HOME-ARP, CDBG, ARPA, and NSP funds according to HUD regulations and as approved by this resolution; and be it finally

**RESOLVED**, that the Budget and Finance Directors of the Office of the Chief Financial Officer are hereby authorized to increase the necessary accounts and honor expenditures, vouchers and payrolls when presented in accordance with the foregoing communication and standard City procedures.

(See attached Exhibit 1)

**EXHIBIT 1: 2023-2024 NEW AND REVISED HOME, HOME-ARP, CDBG, ARPA, AHD&PF & NSP AWARDS**

Developer or Borrower	Project Description	Project Action	Total Development Cost	Original Allocation	New or Revised Allocation	Comments
<b>Central Detroit Christian Community Development Corporation</b> 1550 Taylor Street Detroit, MI 48206	<b>Piety Hill II</b> 8840 Second Avenue & Multiple Separate Parcels Rehabilitation of Multifamily Building and New Construction Duplexes (100% affordable) 5@30% AMI, 5@40% AMI 5@50% AMI, 28@60% AMI	Approval of HOME, CDBG and AHD&PF Award	\$16,250,434	N/A	New Allocation \$1,300,000 HOME \$2,170,000 CDBG \$350,000 AHD&PF	Approval of HOME, CDBG and AHD&PF Funding Award
<b>Cinnaire Solutions</b> 2111 Woodward Ave Suite 600 Detroit, MI 48201  <b>Genesis Harbor of Opportunities Promoting Excellence (Genesis HOPE) Community Development Corporation</b> 7200 Mack Avenue Detroit, MI 48214	<b>GenesisHOPE Preston Townhomes</b> 7200 Mack Avenue New Construction of 31 Townhomes (100% affordable) 8@30% AMI, 7@50% AMI 16 @ 60% AMI	Approval of HOME Award	\$13,666,375	N/A	New Allocation \$2,500,000 HOME	Approval of HOME Funding Award
<b>URGE Development Group, LLC</b> 19420 Parkside St Detroit, MI 48221	<b>Higginbotham</b> 20119 Wisconsin St Historic Adaptive Re-Use and New Construction 100 Units (100% Affordable) 10@30% AMI, 10@40% AMI, 21@50% AMI, 24@60% AMI, 35@80% AMI	Approval of ARPA Award	\$36,055,333	N/A	New Allocation \$8,400,000 ARPA	Approval of ARPA Funding Award

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<p><b>Grandmont Rosedale Development Corporation</b> 19800 Grand River Detroit, MI 48223</p> <p><b>Cinnaire Solutions</b> 2111 Woodward Ave Suite 600 Detroit, MI 48201</p>	<p><b>Minock Park Place</b> 19505 Grand River Ave and 15844 Auburn St New Construction of 42 Units (100% Affordable) 5@30% AMI, 5@40% AMI, 8@50% AMI, 24@60% AMI</p>	Approval of HOME and ARPA Award	\$22,303,718	N/A	New Allocation \$1,938,551.53 HOME \$3,061,448.47 ARPA	Approval of HOME and ARPA Funding Award
<p><b>American Communities Developers, Inc.</b> 20250 Harper Detroit, MI 48225</p>	<p><b>Brush &amp; Watson - Midblock</b> 444 Watson New Construction of 184 units (170 units affordable) 9@30% AMI, 148@60% AMI, 13@80% AMI</p>	Approval of ARPA Award	\$75,135,610	N/A	New Allocation \$3,000,000 ARPA	Approval of ARPA Funding Award
<p><b>Southwest Housing Solutions Corporation</b> 1920 25th Street, Suite A Detroit, MI 48216</p>	<p><b>Martin Gardens</b> 1185 Clark St., 3502-3528 W. Vernor Hwy, 1737 &amp; 1739 to 1755 25th St. Historic Preservation &amp; Rehab 46 Units (100% Affordable) 29@30% AMI, 17@60% AMI</p>	Approval of HOME and AHD&PF Award	\$15,656,762	N/A	New Allocation \$1,700,000 HOME \$1,600,000 AHD&PF	Approval of HOME and AHD&PF Funding Award
<p><b>MHT Housing</b> 32600 Telegraph Rd. Suite 102 Bingham Farms, MI 48025</p> <p><b>Renovate Detroit, LLC</b> 27777 Franklin Rd Suite 2500 Southfield, MI 48034</p>	<p><b>North Corktown</b> 2607 14th Street New Construction of 49 Units (100% Affordable) 16@30% AMI, 5@40% AMI, 28@80% AMI</p>	Approval of HOME Award	\$19,365,400	N/A	New Allocation \$2,500,000 HOME	Approval of HOME Funding Award

<p><b>MHT Housing</b> 32600 Telegraph Rd. Suite 102 Bingham Farms, MI 48025</p>	<p><b>Sanctuary at Brewster</b> 2900 St. Antoine New Construction of 52 PSH Units (100% Affordable) 52@30% AMI</p>	<p>Approval of HOME-ARP Award</p>	<p>\$21,261,812</p>	<p>N/A</p>	<p>New Allocation \$3,000,000 HOME-ARP</p>	<p>Approval of HOME-ARP Funding Award</p>
<p><b>Southwest Housing Solutions Corporation</b> 1920 25th Street, Suite A Detroit, MI 48216</p>	<p><b>5800 Michigan Avenue,</b> 5800 Michigan Avenue, 3951 &amp; 3957 Campbell Street New Construction of 40 PSH units (100% affordable) 44@30% AMI</p>	<p>Add \$300,000 of ARPA Funding</p>	<p>\$18,688,767</p>	<p>\$512,544 HOME \$737,456 CDBG \$450,000 ARPA</p>	<p>Revised Allocation \$512,544 HOME \$737,456 CDBG \$750,000 ARPA</p>	<p>Increase ARPA funding due to increased project costs</p>
<p><b>The Roxbury Group, LLC</b> <b>Lee Plaza LLC</b> and their affiliates and subsidiaries 1117 Griswold, Suite 1416 Detroit, MI 48226</p> <p><b>Ethos Development Partners</b> 882 Oakman Blvd. Detroit, MI 48238</p>	<p><b>Lee Plaza</b> 2240 &amp; 2250 W. Grand Blvd., 2700 Ferry Park Historic Preservation &amp; Rehab 117 Units (100% affordable senior) 117@60% AMI 100% have rental assistance</p>	<p>Add \$1,500,000 of NSP 2 Funding</p>	<p>\$73,790,190</p>	<p>\$14,102,912 ARPA</p>	<p>Revised Allocation: \$14,102,912 ARPA \$1,500,000 NSP 2</p>	<p>Add \$1,500,000 of NSP 2 Funding</p>
<p><b>Grandmont Rosedale Development Corporation</b> 19800 Grand River Detroit, MI 48223</p> <p><b>Cinnaire Solutions</b> 2111 Woodward Ave Suite 600 Detroit, MI 48201</p>	<p><b>Grandmont Rosedale Park Collective II</b> 9710-9730 W. Outer Drive Multifamily Rehabilitation 35 Units (100% Affordable) 2@50% AMI, 33@60% AMI</p>	<p>Add \$688,551.53 of ARPA, \$212,326.62 of NSP 1 and \$149,121.85 of NSP 3 Funding</p>	<p>\$9,734,190</p>	<p>\$1,350,000 (being in either HOME, ARPA or a combination of these funding sources)</p>	<p>Revised Allocation \$1,039,551.53 ARPA \$999,000 HOME \$212,326.62 NSP 1 \$149,121.85 NSP 3</p>	<p>Increase ARPA funding and add NSP 1 and NSP 3 funding due to change in funding sources</p>